

THE SAGA OF ROGER TAMRAZ

The testimony of Roger Tamraz provided the Committee with the chance to hear from an unrepentant access-purchaser. The hearing at which he appeared revealed efforts by officials of the DNC to reverse National Security Council (NSC) policy regarding Tamraz's access to the President and pressure NSC officials to change their position on the merits of Tamraz's Caspian Sea pipeline scheme.

The Tamraz affair also stands out as one which produced a genuine hero — or, to be more precise, a genuine heroine. For despite the ugly window it provides upon high-level venality, the Tamraz story is also the story of Sheila Heslin, a courageous NSC staff member who resisted inappropriate and possibly unlawful attempts by senior officials to change U.S. Government policy in pursuit of Tamraz's money. This episode also provides a reminder that despite all such wrongdoing, there are decent people in government with noble ideals of public service.

BACKGROUND

Roger Tamraz, an international financier and entrepreneur in the oil business, is presently wanted by police in at least two countries. A naturalized American citizen, he has been ordered by a French court to pay the equivalent of some \$ 57 million in connection with the collapse of a French bank and faces an Interpol arrest warrant for allegedly embezzling between \$154 and \$200 million from the failed Al Mashreq Bank in Lebanon, of which he had been the chairman. In June 1995, Tamraz — who had left Lebanon in 1989 with the assistance of Syrian authorities — was also sentenced *in absentia* to 15 years in prison by a military court in Lebanon.¹ Tamraz has also been

¹ Transcribed Interview of Roger Tamraz, May 13, 1997, pp. 4 & 8-10.

closely involved in business dealings with Libya's state-controlled National Oil Company, to which he sold or with which he merged his own Tamoil company.²

Tamraz acknowledges his various continuing legal problems, admitting that "if anyone puts my name in NEXIS-LEXIS, you get a lot of horror stories."³ Nevertheless, he maintains that he is entirely innocent of wrongdoing, having been unfairly persecuted by his enemies because of his efforts on behalf of "the U.S. and peace" and because he was "portrayed as a Jew, a dirty word in the context in which it was used."⁴

Among Tamraz's business interests is a company called Oil Capital Limited, which seeks to develop oil pipeline concessions in the Caucasus. After the collapse of the Soviet Union, extraordinary possibilities for oil production had opened up for the huge reserves of the Caspian Sea region. While governments such as that of the United States worked to speed this oil to Western markets, to lessen the dependence of the oil-rich countries of the region upon Russia, and to break Russia's monopoly upon pipeline transit routes out of the Caspian,⁵ international financiers and oil companies — Oil Capital Limited among them — scrambled to take advantage of the commercial opportunities presented by a variety of proposed new pipeline projects.

² Alejandra Y. Castillo, memorandum to Donald Fowler, July 12, 1995, p. 2 (Ex. 1).

³ Tamraz interview, p. 6.

⁴ Testimony of Roger E. Tamraz, September 18, 1997, pp. 4-6. According to researchers at the DNC, Tamraz's claimed "kidnapping" and "torture" in Lebanon — *see, e.g., Id.* at p. 4 — may have arisen out of the failure of the Al-Mashreq Bank when a commander of a Christian militia group in Lebanon held Tamraz hostage pending repayment of some \$3 million allegedly lost by that commander when the bank collapsed because Tamraz used its funds to bankroll his private business projects. Tamraz has apparently denied paying the \$3 million ransom reportedly demanded of him. *See* Ex. 1, p. 2.

⁵ Testimony of Sheila Heslin, Sept. 17, 1997, p. 4.

In mid-1995, negotiations were underway for an “early” oil pipeline deal for Caspian oil by the terms of which small new pipelines would be built — or old ones refurbished — in order to provide an interim solution to the problem of how to bring this oil to Western markets. Also underway was a longer-term project to find a “final” pipeline route for Caspian crude oil. Both the “early” and the “final” oil projects involved much debate over optimal pipeline routings; vast potential profits hung in the balance.⁶

Unfortunately, the Caucasus also remained a politically and militarily unstable area, nowhere more so than with respect to the long-simmering conflict between Armenia and Azerbaijan over the ethnically-Armenian enclave of Nagorno-Karabakh within Azerbaijan, a territory over which a bloody war had been fought between 1990 and 1994. As a result, it became an important objective of U.S. policy in the region both to facilitate oil development and to do so in ways that preserved and enhanced regional stability. Moreover, because certain prior oil concessions in the Caspian region had been arranged and executed in part through bribery and corruption — and because this “was beginning to destabilize governments in the region because they were having no money come into their countries” on account of such illicit diversions⁷ — it was also an important objective to ensure that future deals complied with “international commercial standards.”⁸

Tamraz had ambitious plans, however, for his own Caucasian pipeline. As he put it in a letter to President Gaidar Aliyev of Azerbaijan, Tamraz proposed a “tentative agreement which could be

⁶ See generally Memorandum of Interview of Sheila Heslin, May 28, 1997 [redacted and declassified version], pp. 2-3.

⁷ Heslin testimony, p. 10.

⁸ See generally Heslin interview, p. 3; Heslin testimony, p. 10.

negotiated with Nagorno Karabakh” by the terms of which “[o]il and gas pipelines will be built by Oil Capital [Limited] from [the Azeri coastal city of] Baku to the Mediterranean, passing through Nagorno Karabakh, Armenia, Nakhichivan and Turkey.” These pipelines would be “paid for, owned and constructed by Oil Capital Ltd., Inc,” and his company would have the right to purchase five percent of the resulting consortium.⁹ In Tamraz’s depiction, this pipeline would help bring peace to Nagorno-Karabakh, in part through being accompanied by the creation of a demilitarized “liberated territory” joined by a corridor to Armenia.¹⁰ Furthermore — and perhaps more importantly — this plan would make Tamraz very rich: his share of the proposed Caspian Pipeline Consortium would have been at least \$125 million, and possibly much more.¹¹ As described below, U.S. foreign policy officials regarded his plan as unworkable, undesirable, and perhaps even dangerous. It is clear, however, that the stakes for Tamraz were quite high.

It should be noted in this regard that Tamraz had long aspired to playing a role in the formulation of United States foreign policy in areas of the world in which he had business interests — and had long sought to use political fundraising as the means by which to do so. As he saw it, political contributions were a time-tested means to high office in the United States:

[A] lot of our Cabinet ministers and a lot of our ambassadors have spent just that amount of money for just [this] reason You know, we have got Felix Rohatyn, who is ambassador in Paris. We have got

⁹ Roger Tamraz, letter to Harry Gilmore, U.S. Ambassador to Armenia, attaching a May 3, 1995 letter to President Gaidar Aliyev, May 10, 1995, pp. 3-4 (Ex. 2).

¹⁰ *Id.*, p. 4.

¹¹ Heslin interview, p. 3 (giving \$125 million figure); Tamraz testimony, p. 94 (stating that he would have owned “[m]uch more than 5 percent” of Caspian pipeline deal).

a Mr. Rubin who is a Cabinet minister, and they have all given much more than I have.¹²

“Usually,” he explained, “you don’t pick up Madeleine Albright from her kitchen and make her into Secretary of State.”¹³ For Tamraz, financial contributions to political parties lay at the core of the U.S. political process. Never bothering to vote since becoming an American citizen in 1989, Tamraz believed himself to possess “more than a vote” by virtue of his campaign contributions.¹⁴ Thus did he hope to advance himself and his business interests.

In the mid-1980s — with Ronald Reagan in the White House — Tamraz’s hopes of purchasing such a role in U.S. policy entailed donations to Republican causes. Despite giving enough money to become a “Republican Eagle,” Tamraz received no response to his overtures from the Reagan Administration; he could not even gain access to the Reagan White House.¹⁵ Accordingly, Tamraz put his plans aside.¹⁶ At that point, at least, access to U.S. officials and policy concessions were not for sale.¹⁷

¹² Tamraz testimony, pp. 81-82.

¹³ *Id.*, p. 62.

¹⁴ *Id.*, p. 158-159.

¹⁵ *Id.*, p. 150-51.

¹⁶ Tamraz interview, pp. 36-37.

¹⁷ The Minority has tried to make much out of a June 1985 letter recommending Tamraz for some presidentially-appointed board or commission ostensibly signed by RNC Chairman Frank Fahrenkopf, Jr. This letter, however, was not written, authorized or signed by Fahrenkopf. *See* Frank Fahrenkopf, letter to Senator John Glenn, Sept. 16, 1997 (Ex. 3).

In 1994 and 1995, however, Tamraz received unsolicited letters from the DNC, asking for money.¹⁸ The timing of these solicitations was perfect: Bill Clinton and Al Gore now occupied the White House for the Democratic Party, and oil issues were moving to the top of the Clinton Administration’s foreign policy agenda for the Caspian even as Tamraz put the finishing touches on his own pipeline proposal in early 1995. Hoping to promote his pipeline project — and finally to be able to “play a role which I aspire to” in U.S. policy making¹⁹ — Tamraz contacted the DNC. As a result, Tamraz had an initial meeting with the DNC’s Ari Swiller in July 1995; at a subsequent meeting, Swiller introduced him to DNC Chairman Donald Fowler.²⁰ Significantly, it was no coincidence that Tamraz’s decision to respond to the DNC’s fundraising solicitations should come in July 1995: it was at this point that Tamraz first ran into opposition from U.S. officials who viewed him as disreputable and who regarded his Caspian schemes as a disruptive “pipe dream.”

REJECTION AND RETURN

In mid-1995, Sheila Heslin was a staff member of the NSC. Her duties as the NSC’s Director of Russian, Ukrainian, and Eurasian Affairs²¹ made her

¹⁸ Tamraz interview, p. 37.

¹⁹ *Id.* at p. 38.

²⁰ *Id.*

²¹ As such, she reported to Coit (“Chip”) Blacker, the NSC’s Senior Director for Russian, Ukrainian, and Eurasian Affairs.

responsible for coordinating policy with regard to the States of the South Caucasus in Central Asia and with regard to oil and gas issues throughout the former Soviet Union, with a particular focus on pipeline issues.²²

Heslin was deeply involved in U.S. efforts to negotiate the Caspian “early” oil pipeline agreement, and she chaired an interagency working group — the “Caspian energy working group”²³ — that dealt with this and related issues.²⁴ These responsibilities made her the natural object of Tamraz’s attentions.

With the help of Ed Pechous, a former CIA official then in Tamraz’s employ,²⁵ Tamraz arranged to meet with Heslin on June 2, 1995 to discuss his own pipeline plan for the region. Even before this meeting, however, Tamraz had raised Heslin’s suspicions — and those of the other members of her Caspian energy working group. Before the June 2 meeting with Heslin, Tamraz had been meeting with various U.S. officials in the Departments of State, Energy,²⁶ and Commerce.²⁷ At these meetings, Tamraz represented that his plan had the support of “various entities and

²² Heslin testimony, p. 3.

²³ This group included representatives from the NSC, the Department of Energy, the Department of State, the Department of Commerce, the Overseas Private Investment Corporation (OPIC), the Trade & Development Agency, the Department of the Treasury, and the Export-Import Bank. *See* Heslin interview, p. 5.

²⁴ Heslin testimony, pp. 4-5.

²⁵ Tamraz testimony, p. 45; Tamraz interview, pp. 22-23 & 121; Heslin interview, p. 7.

²⁶ One of these meetings took place with Energy Department official Jack Carter, who met with Tamraz in the company of Carter’s colleague Theresa Beman, a lawyer from Philadelphia, and with Tim Denna of Bethlehem Steel — a company which wished to sell Tamraz the steel with which to build his pipeline. *See* Deposition of John Carter, June 23, 1997, pp. 30-32; Deposition of Charles Kyle Simpson, June 25, 1997, p. 36; Tamraz interview, pp. 29-30.

²⁷ Tamraz interview, p. 26; Heslin testimony, p. 8; Heslin interview, p. 7.

governments,” among them a number of major American oil companies. It soon became apparent that these representations were false: representatives of several oil companies, for example, telephoned Energy Department officials and Heslin to complain that they did not, in fact, support Tamraz’s proposed pipeline.²⁸ Moreover,

we got reporting from embassies suggesting that, in fact, Roger Tamraz had not had the level of access, the Presidential level of access in Armenia or Azerbaijan [he had claimed] . . . and that in fact, Azerbaijan had been hostile to him, and then open source information, which the State Department collected, indicated that he had a highly controversial history, and then the agency, the CIA, also provided some information which indicated — well, a very controversial past.²⁹

On top of Tamraz’s “controversial past” and his misrepresentation of support, it was the assessment of the working group that “his commercial proposal [did] not have a lot of potential.”³⁰

Nevertheless, Heslin agreed to meet with Tamraz on June 2 in order to “clear up . . . whether, in fact, there was something there or whether these problems that had cropped up, were, in fact, correct.”³¹ During their meeting, Tamraz sought to persuade Heslin that the U.S. Government should endorse this proposal — or at least announce that Washington did not object to it. Heslin, however, did not think his plan realistic; she posed “tough questions” to Tamraz about his proposal, “and didn’t

²⁸ Indeed, they apparently described him as a “flake,” and resented his representations of their endorsement. *See* Heslin testimony, p. 8; Heslin interview, p. 7.

²⁹ Heslin testimony, pp. 8-9.

³⁰ *Id.* at p. 8.

³¹ *Id.* at p. 9.

get very satisfactory answers.”³² She made it clear to Tamraz that “we were not going to be able to — the U.S. Government — endorse him in any way.”³³

The next day, the interagency Caspian energy working group determined that Tamraz’s pipeline should *not* be given support and that he should be denied high-level U.S. Government access: the group agreed that there were too many “holes” in the commercial aspects of his plan, and that its other aspects were unacceptably weak.³⁴ The official position of the U.S. government, therefore, was that Tamraz’s pipeline should not be supported and that Tamraz should be given no further access to senior U.S. officials.

Tamraz first began to promote his pipeline idea to Heslin through certain contacts of his in the CIA even before his June 2, 1995 meeting with Heslin. After Jim Collins, a State Department official, first suggested in May 1995 that she meet with Tamraz, Heslin had inquired about Tamraz with a friend of hers at the CIA’s Directorate of Intelligence (DI).³⁵ As a result of this inquiry, Heslin received a report on Tamraz from the DI. She also, however, received a separate report on Tamraz from the Agency’s Directorate of Operations (DO), which the DO had undertaken to provide to her on its own initiative. According to Heslin, these two reports were quite different: the DI report was “more direct” in recounting information unflattering to Tamraz, whereas the DO report contained

³² *Id.* at pp. 9-10.

³³ *Id.* at p. 11.

³⁴ Heslin interview, p. 8; *see also* Heslin testimony, pp. 12-13.

³⁵ The CIA’s DI performs the Agency’s analytical functions and is responsible for providing “finished” intelligence information to national policymakers. Its Directorate of Operations (“DO”) is the Agency’s clandestine division, with responsibility for such things as covert “spying” abroad.

little adverse information — referring only vaguely to certain “unsubstantiated allegations” against him.³⁶

After Heslin’s rebuff in early June 1995, however, Tamraz’s lobbying efforts through the CIA moved into higher gear. Shortly after Heslin’s meeting with Tamraz on June 2, Heslin received a telephone call from a CIA officer named “Bob,”³⁷ who said that he wished to speak with her about the report on Tamraz recently sent her from the DO. According to Bob, the DO’s report had been incomplete: it left out certain favorable information about Tamraz. As Heslin recounted it, the CIA officer “went on, you know, at some length” with “real reverence in his voice” about Tamraz’s virtues and accomplishments.³⁸ Bob said that his superior, William Lofgren, had requested that he contact Heslin to supply information that had not found its way into the earlier DO report.³⁹ Heslin found this a “strange call” because the CIA man “definitely called me right after” her meeting with Tamraz — so quickly, in fact, that “[i]t surprised me: how would he know my meeting [with Tamraz] went badly [for Tamraz]?”⁴⁰

On at least two, and perhaps three, occasions thereafter, Heslin received additional calls from Bob at the CIA. Each call was quite similar: “it was always in this lobbying effort . . . [i]t was *just*

³⁶ Heslin interview, pp. 6-7.

³⁷ Bob’s last name — known both to Heslin and to the Committee, and confirmed by the CIA — is classified on account of his involvement in clandestine CIA activities with the DO.

³⁸ Heslin interview, pp. 8-9.

³⁹ Heslin testimony, p. 12.

⁴⁰ Heslin interview, p. 9; *see also* Heslin testimony, p. 12 (“He went on to almost seem to rebut every tough question that I had in my own meetings [with Tamraz]. So he seemed to be aware of what happened in my meeting, which was strange.”).

like a lobbyist. . . . It sounded like he was representing Tamraz. . . . He was basically telling Tamraz's story."⁴¹ Bob's efforts on behalf of Tamraz in this regard, however, came to naught: Heslin refused to reconsider the Tamraz issue, sticking by the official U.S. position adopted by the interagency working group in June 1995.

Heslin's rebuff of Tamraz's advances in June 1995 helps put into perspective Tamraz's July 1995 overtures to Ari Swiller at the DNC: he had a very concrete problem to overcome, and apparently had very concrete ideas as to how to overcome it. On July 11, 1995, Tamraz met with Don Fowler and Ari Swiller in Fowler's office at the DNC. As the DNC briefing notes for this meeting put it, the chairman of Oil Capital Limited, Matt Steckel, had "spoke[n] with Don [Fowler] about contributing \$250,000 to the DNC." Accordingly, at this meeting Fowler was to "ask Mr. Tamraz to contribute \$250,000 to the DNC."⁴² This request was apparently a resounding success: another internal DNC memorandum, written the day after Fowler's meeting with Tamraz, recounted that "[i]n a conversation held with Ari Swiller yesterday, Mr. Tamraz expressed his desire to contribute \$300,000 to the DNC."⁴³

As Tamraz himself has noted, even a cursory search of LEXIS-NEXIS news databases uncovers "horror stories" about him.⁴⁴ To the DNC's credit, its staffers did not overlook this.

⁴¹ Heslin interview, p. 10 (emphasis in original).

⁴² Briefing notes for Don Fowler and Ari Swiller on "Private Meeting w/Roger Tamraz," July 11, 1995 (Ex. 4).

⁴³ Ex. 1, p. 3. Castillo's memorandum also advised Fowler that "[i]f Mr. Tamraz is able to commit to \$250,000, then you may extend an invitation to attend the NY Managing Trustee dinner this evening."

⁴⁴ *See supra* note 3.

Alejandra Castillo, for example, sent a memorandum to Fowler on the day after his July 11 meeting with Tamraz. In it, she warned that

As a potential Managing Trustee member, Mr. Tamraz's business dealing may potentially, if not definite[ly], [raise] political and ethical implications on the DNC fundraising operations. I have had several conversations with Carol Khare and Ari Swiller regarding Mr. Tamraz's background. . . .

* * *

. . . [Tamraz's] contribution is greatly appreciated and highly needed, however, his past involvement in shaky international business and para-military organizations may generate considerable problems for the DNC. Mr. Tamraz seeks political leverage to secure his oil ventures in the Russian Republics (Caspian Oil Project).

. . . His business background has proved to be full of significant financial and ethical troubles. Pay attention to these warning signals!⁴⁵

To the DNC's discredit, however, these warnings were ignored by the party's senior leadership. Indeed, DNC officials not only accepted Tamraz's money but also went to great lengths in an attempt to provide Tamraz the "political leverage" he sought in his Caspian ventures.

Over the next few months, Tamraz directly contributed or helped solicit great sums of money to the DNC and to various state Democratic parties at Fowler's direction. As Tamraz testified, the "only reason" he made these donations was in order to secure him the White House access he desired in order to promote his pipeline plan to the President.⁴⁶ The first installment of these payments —

⁴⁵ Ex. 1, pp. 1-3.

⁴⁶ Tamraz testimony, p. 63 ("Senator Levin: . . . Was one of the reasons that you made these contributions because you believed it might get you access? That is my question. / Mr. Tamraz: Senator, I'm going even further. It's the only reason — to get access . . .").

totaling \$90,000 — occurred just over a week after Tamraz’s meeting at the DNC with Fowler and Swiller: on July 19, 1995 Tamraz wrote a \$20,000 check to the DNC, a \$25,000 check to the Virginia Democratic Party, a \$20,000 check to Richard Molpus’ campaign for governor of Mississippi, and a \$25,000 check to the Louisiana Democratic Party. The DNC tracking form for Tamraz’s DNC contribution listed Swiller as the DNC staff contact and Fowler as having solicited the donation.⁴⁷

Fowler subsequently forwarded another \$5,000 check from Tamraz to the Molpus campaign,⁴⁸ and another \$75,000 check to the Virginia Democratic Party.⁴⁹ Tamraz helped solicit an additional \$60,000 for the DNC from four of his friends,⁵⁰ and himself gave the DNC an additional \$50,000 on September 10, 1995.⁵¹ All in all, according to internal DNC memoranda, by the end of

⁴⁷ Ex. 5 (Roger Tamraz check #1021 to Richard Molpus for Governor on July 19, 1995; Roger Tamraz check #1022 to DNC on July 19, 1995, with associated DNC tracking form; Roger Tamraz check #1023 to Virginia Democratic Party on July 19, 1995; Roger Tamraz check #1024 to Louisiana Democratic Party on July 19, 1995).

⁴⁸ Ex. 6 (Roger Tamraz check #1501 for \$5,000 to Richard Molpus for Governor and accompanying note from Don Fowler reading “Here’s a little more help for your campaign.”).

⁴⁹ Virginia Democratic Party campaign contribution records, Oct. 26, 1995 (Ex. 7) (indicating \$75,000 contribution on October 19, 1995). This contribution was made in the name of Tamoil, Inc. rather than in Tamraz’s own name. As Matthew Steckel of Tamoil explained in a subsequent letter, “Tamoil, Inc. is 100% owned by Mr. Tamraz.” Matthew Steckel, letter to Richard Newcomb, Nov. 6, 1995 (Ex. 8).

⁵⁰ See Richard Sullivan and Ari Swiller, Memorandum for Roger Tamraz, March 28, 1996 (Ex. 9) (indicating \$20,000 solicitation from Elias and Norma Haddad on July 29, 1995 and \$20,000 each from Gil and Marcia Sireni on September 1, 1995).

⁵¹ DNC Check Tracking Form for Roger Tamraz check #0086, Sept. 10, 1995 (Ex. 10). In November 1995, Fowler also helped put Tamraz in touch with Kevin Mack of the Democratic Leadership Campaign Committee (DLCC); Tamraz was reportedly “inclined to support” the DLCC, and Mack hoped to ask him for \$100,000. See Kevin Mack, memorandum to Donald Fowler, Nov. 14, 1995 (Ex. 11).

March 1996 Tamraz had made contributions totaling \$100,000 to the Virginia Democratic Party, \$25,000 to the Virginia Legislative Conference, \$20,000 to the Molpus campaign,⁵² \$25,000 to the Louisiana Democratic Party, and \$130,000 to the DNC.⁵³ Tamraz apparently also gave “either a thousand or two” to the Presidential Legal Expense Trust (PLET).⁵⁴ Buoyed by their success in winning such large sums from Tamraz, DNC Finance Director Richard Sullivan recounted, “all of us were continually asking him for money through the course of the year” — perhaps “every six weeks” during 1996.⁵⁵ These figures, and the DNC’s eagerness to solicit further contributions from Tamraz, make clear why Alejandra Castillo’s warnings went entirely unheeded.

Both the extent of the NSC’s opposition to allowing Tamraz high-level U.S. government access and Tamraz’s success in circumventing this opposition through his campaign contributions may be seen in what Sheila Heslin later termed “the VP thing.”⁵⁶ At some point in August or early September 1995, at a White House coffee or a DNC breakfast, “the Vice President met with a friend of Tamraz’s named Haroun [or, variously, Harut] Sassounian.”⁵⁷ After Vice President Gore

⁵² As indicated by the figures above, this DNC summary apparently neglected to record the second check — for \$5,000 — Tamraz gave to the Molpus campaign.

⁵³ Richard Sullivan and Ari Swiller, Memorandum for Roger Tamraz, March 28, 1996 (Ex. 12).

⁵⁴ Tamraz interview, p. 128.

⁵⁵ Deposition of Richard Sullivan, June 25, 1997, pp. 75-76.

⁵⁶ Heslin interview, p. 10.

⁵⁷ Richard Grimes, e-mail message to Leon Fuerth, Sept. 6, 1995 (Ex. 13); *cf.* Scott Pastrick, memorandum to Kimberly Tilley, undated (Ex. 14) (giving September 7, 1995 as date); Leon Fuerth, memorandum to Albert Gore, Sept. 11, 1995 (Ex. 15) (giving date as August 8, 1995); Leon Fuerth, Memorandum for the Vice President, Sept. 13, 1995 (Ex. 16) (later copy of same document).

expressed interest in Tamraz's pipeline and "requested that Harut Sassounian set up a meeting" about the proposal,⁵⁸ Sassounian reportedly "said he would be sending a letter and seeking an appointment through normal channels" so that the Vice President could discuss the issue with Tamraz personally.⁵⁹ As a result, Tamraz was invited to a breakfast with the Vice President scheduled for October 5, 1995.⁶⁰

Heslin learned from one of the Vice President's national security aides, Rick Grimes, that Tamraz was seeking an appointment with the Vice President through a "political link" or "political channels." She related to Grimes her concerns about Tamraz and his business dealings, and told Grimes that she felt "very strong[ly]" that Tamraz should get no high-level access to U.S. officials.⁶¹ Grimes apparently notified his superior, Leon Fuerth, who sent a memorandum to Vice President Gore on September 13 warning him that Tamraz had a "shady and untrustworthy reputation" and that his pipeline proposal was "commercially questionable at best." Fuerth also warned the Vice President that

Tamraz's penchant for making false claims is now impacting on the US Government. . . . The NSC has advised that senior US Government officials not meet with Mr. Tamraz should he or his associates seek appointments. I concur with that recommendation. . . . We just must be certain not to give his project even the appearance of US Government support.⁶²

⁵⁸ Ex. 14.

⁵⁹ Ex. 13.

⁶⁰ See DNC memorandum re: "Vice Chair Breakfast w/Vice President Gore," Oct. 5, 1995, p. 3 (Ex. 17) (listing Tamraz as guest).

⁶¹ Heslin interview, p. 11.

⁶² Ex. 16.

As a result of Fuerth’s memorandum, Tamraz’s invitation to breakfast with the Vice President was rescinded shortly before October 5.⁶³ Heslin’s effort to stop Tamraz’s access to Vice President Gore worked — or so it seemed.

In fact, however, Tamraz’s “political channels” contained a great deal of redundancy. As Tamraz described it later, he was not unhappy to lose his invitation to the October 5 meeting with the Vice President because he had other options: “if they kicked me from the door, I will come through the window.”⁶⁴ This “window” was opened for Tamraz by his DNC contacts, on the strength of which he was invited to a private fundraising dinner on October 2, 1995 for Senator Edward Kennedy at the Senator’s house in Virginia — a dinner at which Tamraz was seated at the head table with Senator Kennedy and Vice President Gore.⁶⁵ As Tamraz recalled it, his attendance had been arranged by “somebody from the Democratic Party” after he had started making contributions to the DNC and after he had donated “10 [or] 20” thousand dollars either to Senator Kennedy’s campaign or to the Massachusetts Democratic Party.⁶⁶

Indeed, this dinner with the Vice President on October 2, also promised to open further opportunities for Tamraz. Also at the head table with Tamraz sat DNC Finance Chairman Marvin Rosen, who in addition to his voluntary DNC duties obtained his principal livelihood as a partner in

⁶³ Tamraz testimony, p. 16.

⁶⁴ *Id.* at p. 66.

⁶⁵ Briefing notes for Vice President’s dinner event, Oct. 2, 1995, p. 11 (Ex. 18); *see also* Tamraz testimony, p. 66.

⁶⁶ The Vice President’s briefing notes for this dinner described Tamraz as being “very involved with the DNC.” *See* Ex. 18, p. 10.

the Miami-based law firm of Greenberg, Traurig. At the recommendation at this dinner of Senator Kennedy's wife Vicki, who was also at the time a partner at Rosen's firm, Tamraz subsequently retained Greenberg, Traurig to do work for his company.⁶⁷ The choice of a firm the profits of which flowed in part to the DNC's finance chairman may have added an additional layer of redundancy to Tamraz's political lobbying campaign: Richard Sullivan later claimed to have heard from DNC Treasurer Scott Pastrick that Tamraz was no longer contributing to the DNC because he "had employed Marvin's law firm and . . . was kind of getting taken care of by Marvin's law firm."⁶⁸

Leaving no stone unturned, however, Tamraz apparently never gave up hope of winning Heslin and her interagency Caspian energy working group to his cause. To this end, he enlisted the help of both the DNC and Bob of the CIA. On the afternoon of October 6, 1995, Tamraz met with Fowler and Sullivan at Fowler's office.⁶⁹ The subject of this meeting was Tamraz's "disinvitation" from the Vice Presidential breakfast the day before: Fowler told Tamraz that "there was resistance"

⁶⁷ Tamraz interview, pp. 89-90; *see also* Tamraz testimony, p. 143.

⁶⁸ Deposition of Richard Sullivan, June 25, 1997, pp. 76-77. Tamraz, however, has claimed that efforts to attribute his slowing of DNC contributions to the Rosen connection were merely an attempt to escape blame for the failures of Sullivan and Pastrick as fundraisers. *See* Tamraz testimony, pp. 43-46. In fact, neither of these accounts is probably accurate: Tamraz most likely stopped giving money to the DNC in 1996 after it became clear that his contributions were not going to reverse the U.S. Government's policy on Caspian energy issues.

⁶⁹ Schedule for National Chair Donald L. Fowler, Oct. 6, 1995, p. 3 (Ex. 19) (showing meeting at 3:00 p.m. with Tamraz and Sullivan). The notation indicating Fowler's appointment with Tamraz is handwritten, suggesting that the meeting was arranged at the last minute — which would be entirely in keeping with Tamraz's recollection that this meeting had been called to discuss Tamraz's "disinvitation" to the Gore event only the day before.

to Tamraz attending White House social events, and that the White House “want[ed] more information about you before you can attend these events.”⁷⁰

According to Tamraz, upon being told that the White House “needed information” about him,

I told them that they should go and get information from Government departments I told [Fowler] he could go to any department, including the CIA. . . . I told him to tell the people who were requesting from him information to tell the people to go to any department, including the CIA. . . . I may have given a name of a person at the CIA to contact, just to check if information was, in fact, sent.⁷¹

Indeed, Tamraz gave Fowler and Sullivan the name of his friend Bob at the CIA — the same DO official who had been “lobbying” Heslin on Tamraz’s behalf since June 1995 — and the CIA officer’s classified office telephone number.⁷² Handwritten notes taken by both Fowler and Sullivan bear this out, indicating their intention to call Bob about Tamraz and making clear Bob’s CIA affiliation.⁷³

Tamraz also met subsequently with Sullivan and Rosen later in October 1995 to discuss “the lack of information about me in order to go to the [White House] functions.”⁷⁴ The DNC officials,

⁷⁰ Tamraz interview, pp. 31-35 & 46.

⁷¹ *Id.* at pp. 51-53.

⁷² *See* Tamraz interview, pp. 51-53, 59 & 71. Providing classified information to individuals without a security clearance is illegal. *See* 18 U.S.C. § 793(d) (prohibiting disclosure “to any person not entitled to receive it” of lawfully-possessioned information which “the possessor has reason to believe could be used to the injury of the United States or to the advantage of any foreign nation”).

⁷³ Handwritten notes by Don Fowler (Ex. 20) (reading “Roger Tamraz 6 Oct 95 . . . Leon Fuerth — go to CIA Bob . . . Sheila Heslin at NSC”); Handwritten notes by Richard Sullivan (Ex. 21) (reading “CIA —> Bob”).

⁷⁴ Tamraz interview, p. 56.

he said, were “embarrassed . . . for a donor to be disinvited,”⁷⁵ and “wanted to excuse themselves that I was disinvited, and they hoped that if more information would be available that somebody would review again my status.”⁷⁶ Tamraz repeated his suggestion that if more information about his bona fides were needed, the CIA should be able to provide it.⁷⁷

On October 18, 1995, Tamraz called Bob at the CIA in order “to say that he had given [Bob’s] name to Fowler as a reference.” The next day, as Bob recorded it in an internal CIA memorandum,

Don Fowler called me at the request of . . . Roger Tamraz. . . . During the conversation, Fowler said that he understood that I was in contact with the Vice President’s office concerning Tamraz. Fowler said he was attempting to arrange a meeting between the Vice President and Tamraz concerning Tamraz’s oil pipeline from Ceyhan, Turkey to Baku, Azerbaijan, but was aware that there was opposition in the White House Fowler queried whether I could provide him a copy of any correspondence on Tamraz I might prepare for the Vice President.⁷⁸

At some point in October 1995, Heslin received another telephone call from Bob at the CIA, who continued, she said, “plying his lobbying methods” on behalf of Tamraz’s pipeline scheme.⁷⁹

⁷⁵ *Id.* at pp. 87 & 91.

⁷⁶ *Id.* at p. 57.

⁷⁷ *Id.* at pp. 87-88 & 127.

⁷⁸ Bob of the CIA, Memorandum for the Record, Oct. 20, 1995 (Ex. 22) [redacted and declassified].

⁷⁹ Heslin interview, p. 12.

By now, however, Heslin was being “really careful with [Bob],” having concluded that “he was a lobbyist” for Tamraz.⁸⁰ Accordingly, Fowler apparently decided to try again. As indicated by Fowler’s DNC telephone records, he tried to telephone Bob at the CIA officer’s classified work telephone number on December 11 and 12, 1995.⁸¹ On December 13, Fowler finally reached Bob at the Central Eurasia (CE) Division of the DO.⁸² According to an internal CIA memorandum later prepared by Bob, “Don Fowler called CE Division to ask if it could provide a letter on Tamraz to clear Tamraz’s name with the President.”⁸³

Fowler has been less than candid in his recollection of these events. In March 1997, he issued a press release in which he asserted flatly that

In spite of the fact that my memory is imprecise on some of the details associated with this sequence of events, on one point I am clear and certain: I did not in this situation, or in any other, call or contact the CIA to ask them to supply information to Ms. Heslin, Dr. Soderberg [sic] or anyone else, nor did I direct anyone else to do so.⁸⁴

⁸⁰ *Id.*; see also Bob of the CIA, Memorandum for the Record, Dec. 28, 1995, p. 2 (Ex. 23) (“Based on conversation with Sheila Heslin at the NSC, it is our understanding that the NSC would like to deny Tamraz access to the President and the Vice President.”).

⁸¹ Donald Fowler, telephone log, Dec. 11, 1995 (Ex. 24) (listing Bob with telephone number); Don Fowler, telephone log, Dec. 12, 1995 (Ex. 25) (same).

⁸² Also on December 13, Fowler and Richard Sullivan met again with Roger Tamraz at Fowler’s DNC office. Schedule for National Chair Donald L. Fowler, Dec. 13, 1995, p. 2 (Ex. 26) (indicating meeting at 11:30 a.m. “per DLF’s phone conversation w/Tamraz”).

⁸³ Ex. 23, p. 2.

⁸⁴ Donald Fowler, press release, March 18, 1997 (Ex. 27). According to her comments when interviewed by the Committee, Soderberg has not received a Ph.D. See Memorandum of Interview of Nancy Soderberg, May 29, 1997, p. 1 (recounting finishing graduate school with Master’s degree in International Relations).

As noted above, this assertion was false. When confronted with evidence of his calls to Bob — evidence of which he was unaware until shown it by Senator Thompson on September 9, 1997 at the public hearings⁸⁵ — Fowler changed his story. Having discovered that the Committee possessed Bob’s memoranda recounting the CIA officer’s discussions with him, Fowler then testified under oath that he had “no memory” of having ever called anyone at the CIA. He said, in fact, that he had been “flabbergasted” to read reports to this effect in the media; “I have at midnight, at noontime, and almost every other minute of the day plumbed my memory in every way that I can, and I have no memory of ever having talked to anybody at the CIA.”⁸⁶ When probed more specifically about his contacts with Bob, Fowler said that he did not know who the man was;⁸⁷ Fowler also claimed not to recall Tamraz ever asking him to contact the CIA.⁸⁸

It is likely that Fowler’s September 9, 1997 claim of “no memory” is as false as his March 1997 press release absolutely denying any CIA contacts. The evidence makes clear that Fowler was closely engaged in efforts to contact Bob at the CIA. As mentioned above, Fowler’s own handwritten notes indicate his intention to call a CIA officer named Bob; these notes also make clear that Fowler understood the man’s CIA affiliation.⁸⁹ Fowler’s telephone records document his efforts

⁸⁵ See Testimony of Donald Fowler, Sept. 9, 1997, p. 51 (remarking, when shown memorandum of conversation by Bob of the CIA, that “this is the first time I have ever seen that document”).

⁸⁶ Deposition of Donald Fowler, May 21, 1997, p. 242; *see also* Fowler testimony, pp. 47-48; *see also id.* p. 53 (affirming lack of recollection).

⁸⁷ Fowler deposition, p. 244.

⁸⁸ Fowler testimony, p. 53.

⁸⁹ Ex. 20 (handwritten notes by Fowler reading “Roger Tamraz . . . Leon Fuerth — go to CIA / Bob [last name redacted] / Sheila Heslin at NSC”). It is clear from these notes and from Fowler’s discussions of “Bob of the CIA” with Heslin and Soderberg, *see infra* text accompanying notes 91

to reach Bob at his work telephone number.⁹⁰ Moreover, as described in more detail below, Fowler mentioned “Bob . . . of the CIA” both in a call to Heslin,⁹¹ and in a conversation he had with Deputy National Security Advisor Nancy Soderberg about Tamraz.⁹² Because Fowler twice talked to Bob, recorded Bob’s full name and CIA affiliation in his notes, and told at least two other people of his contacts with the CIA officer, it is extremely unlikely that Fowler genuinely did not recall his contacts with the CIA.

After Bob refused Fowler’s request that he provide a letter to “clear Tamraz’s name with the President,”⁹³ Fowler contacted Heslin himself. According to Fowler’s DNC telephone records, he left a message for Heslin at her NSC office on December 14.⁹⁴ Uneasy with having received a message from the chairman of the DNC, Heslin sent an e-mail message to Soderberg.⁹⁵ In this e-mail, Heslin stated that

& 92, that even if Fowler never discussed Bob’s CIA affiliation, Fowler already knew it. *Cf.* Bob of the CIA, redacted and declassified deposition, pp. 67, 93 & 95 (recounting that Fowler and Bob did not discuss Bob’s CIA affiliation). (The CIA officer did, however, make it clear to Fowler that he was part of some government agency, *id.* p. 94, and suggested that Fowler seemed already to know of his CIA affiliation, *id.*, p. 97 (“If Tamraz has told him I’m CIA, there’s not much I can do about it at that point.”).

⁹⁰ *See supra* note 81.

⁹¹ Heslin testimony, p. 23; *see also* Heslin interview, p. 13.

⁹² Nancy Soderberg, handwritten notes (Ex. 28) (“Bob [last name redacted] friend in CIA / memo to Sheila.”); *see also* Soderberg interview, p. 5 (identifying notes as pertaining to conversation with Fowler).

⁹³ Ex. 23, p. 2.

⁹⁴ Donald Fowler, telephone log, Dec. 14, 1995 (Ex. 29) (showing “message” left for Heslin at 3:45 p.m.).

⁹⁵ Heslin testimony, p. 22.

Don Fowler, DNC Chairman[,] has a call in to me (subject unclear). I wanted to check with you about whether to refer this call to you or more generally, if I should follow a particular procedure in returning the call.⁹⁶

Four days later, NSC legal advisor Alan Kreczko sent an e-mail to Heslin by e-mail, advising her that “[y]ou can always return a call. But anything beyond that you would need to check with us.”⁹⁷

Also on December 18, Kenneth Baldwin, Nancy Soderberg’s assistant, contacted Heslin with a response from Soderberg saying “Sheila: I’ll call him.”⁹⁸ Accordingly, Soderberg called Fowler that afternoon; Fowler returned her call on the morning of December 19.⁹⁹ Soderberg’s handwritten notes from her talk with Fowler make clear that the subject of their conversation was Tamraz, and suggest that Soderberg was aware of the efforts of Fowler and Tamraz to enlist the CIA’s assistance in changing Heslin’s mind about permitting Tamraz to attend events or make appointments to visit officials at the White House. Under the heading “Roger Tamraz” and “Don Fowler,” Soderberg wrote in her notebook that “WH event/appt. . . . Bob [last name redacted] friend in CIA } memo to Sheila.”¹⁰⁰

⁹⁶ Sheila Heslin, e-mail message to Nancy Soderberg, Dec. 14, 1995 (Ex. 30). Heslin apparently returned Fowler’s call on December 14, but did not reach him. *See* Donald Fowler, telephone message slip, apparently Dec. 14, 1995 (Ex. 31).

⁹⁷ Alan Kreczko, e-mail message to Sheila Heslin, Dec. 18, 1995 (Ex. 30).

⁹⁸ Kenneth Baldwin, e-mail message to Sheila Heslin, Dec. 18, 1995 (Ex. 30). Soderberg had known Fowler for many years from working together for various prior political campaigns. *See* Soderberg interview, p. 2.

⁹⁹ *See* Nancy Soderberg appointment schedule, Dec. 18, 1995 (Ex. 32) (showing “Dan [sic] Fowler” call at 4:00 p.m.); Donald Fowler, telephone log, Dec. 19, 1995, p. 2 (Ex. 33) (showing call to “Nancy Soderberg for Sheila Heslin” as “DONE” at 10:15 a.m.).

¹⁰⁰ Ex. 28. Soderberg claimed later to have agreed with Heslin about Tamraz, and to have communicated this view to Fowler in their conversations on the subject. Soderberg interview, pp. 5-6. In any event, Soderberg admitted that Fowler told her that his friend Bob at the CIA had

That same day, Fowler telephoned Heslin. As Heslin recounted it, this conversation was “very short”:

He said hello. I answer[ed], “NSC, Sheila Heslin,” and he said “Hello, Sheila” — “Hello, Ms. Heslin. This is Don Fowler of the DNC, and I’m calling to inform you that Bob” — using his full name — “of the CIA will be sending you a report on Roger Tamraz, so that . . . you will understand everything about his background, and you won’t have any further concerns about having him go into the White House.”¹⁰¹

Alarmed by this call, Heslin called her contact at the CIA’s DI to complain about this message, asking this official: “What the hell is your agency doing? You won’t believe the phone call I just got from Don Fowler of the DNC!” Heslin expressed her outrage at the apparent involvement of officers from the DO with the DNC. “I totally didn’t trust [the DO] on this issue,” Heslin recalled later, adding that “I just couldn’t understand what they were doing.”¹⁰²

Heslin also telephoned Soderberg to complain about Fowler’s call. Soderberg was “adamant that she’d take care of Fowler,” but also seemed interested in seeing if there were some way that Tamraz could attend a White House function. Soderberg inquired of Heslin, for example, whether Tamraz might be able to meet the President in a small group, or if that were not possible, whether he

sent (or would send) information about Tamraz to Heslin. *See* Soderberg interview, p. 6. As suggested by her own handwritten notations upon her copy of one of the CIA reports given to Heslin, Nancy Soderberg also spoke with DNC Finance Chairman Marvin Rosen about the Tamraz issue. *See* Soderberg interview, p. 7 (declaring that “[o]bviously Rosen did call me because his name appears right there,” but claiming to have no specific recollection of any such conversation).

¹⁰¹ Heslin testimony, p. 23.

¹⁰² Heslin interview, p. 13; *see also* Heslin testimony, p. 22 (“I actually also called the Directorate of Intelligence at the CIA and I said ‘What the hell is going on? . . . [W]hy are your people working with Fowler?’”).

could visit as part of a large group.¹⁰³ Heslin did not question Soderberg's motives,¹⁰⁴ but she sent Soderberg a memorandum the next day rearguing the point that Tamraz should be denied high-level U.S. government access; Heslin attached to this message the text of Leon Fuerth's September 1995 memorandum to Vice President Gore about Tamraz.¹⁰⁵ In her message to Soderberg, Heslin warned that

Tamraz desperately needs the mantle of the President to advance his goal. He will use any meeting with the President . . . to the potential detriment of our policy goals in the Caucasus region.¹⁰⁶

In response to Heslin's call and e-mail message, Soderberg asked Randy Beers, the NSC's senior director for intelligence matters, to look into the Tamraz issue.¹⁰⁷

Just as Fowler had indicated would occur, at some point in December, Heslin received, through Beers' office, another report on Tamraz from the CIA's DO. Heslin found this entirely unsolicited report "pretty dismaying" and wholly inadequate. Indeed, it was "even worse than the last DO report": while the earlier report from the DO had at least contained veiled references to "unsubstantiated allegations" against Tamraz, this one contained *no* adverse information whatsoever. She felt this DO report to be "wholly divorced from the reality of what the guy was about."¹⁰⁸

¹⁰³ Heslin interview, p. 13.

¹⁰⁴ Heslin claims to have simply assumed at that point that Soderberg was accumulating information with which to rebut possible counter-arguments by Donald Fowler. *See id.*

¹⁰⁵ Sheila Heslin, e-mail message to Nancy Soderberg, Dec. 20, 1995 (Ex. 34).

¹⁰⁶ *Id.*

¹⁰⁷ *See* Heslin interview, p. 13; *see also* Nancy Soderberg, e-mail message to R. Rand Beers, Dec. 20, 1995 (Ex. 34) (forwarding Heslin's message to Beers).

¹⁰⁸ Heslin interview, pp. 14-15.

Heslin's determination to deny Tamraz access to top officials and to prevent giving him even an apparent U.S. endorsement of his pipeline project remained adamant throughout these efforts by Roger Tamraz, his friend Bob at the CIA, and Fowler at the DNC. Indeed, at the suggestion of Jamuna Broadway, an assistant to Heslin's immediate superior, Chip Blacker, Heslin tried to arrange for Tamraz's name to be put on what Broadway described as a list that would ensure that he was denied access to the White House.¹⁰⁹ All of Heslin's efforts, however, were in vain.

Through his DNC and other DNC-coordinated Democratic Party donations, Tamraz was able to attend events with President Clinton on no fewer than six occasions from September 1995 through June 1996: (1) a reception for the DNC's Business Leadership Forum on September 11, 1995; (2) a DNC dinner on September 15, 1995; (3) the DNC Chairman's holiday reception on December 13, 1995; (4) a DNC Trustee's dinner on March 27, 1996; (5) a Presidential coffee on April 1, 1996; and (6) a buffet dinner and private screening of the film *Independence Day* on June 22, 1996.¹¹⁰ Once again, after being denied access through the "door," Roger Tamraz had found his way in through a "window."

TAMRAZ ATTEMPTS TO CHANGE U.S. POLICY

¹⁰⁹ Heslin interview, pp. 11-12. According to Heslin, when Broadway suggested to her that "a friend" could arrange for Tamraz to be thus listed, Heslin replied "great!" Broadway later told Heslin that this matter had been "taken care of," and that Tamraz would now be unable to get into the White House "through some social event." *Id.* No such list was ever produced to the Committee, but Heslin was given the impression that this had occurred. *See also* Ex. 23, p. 2 (Bob of CIA recounting that "Heslin told [the DO's Central Eurasia Division] that Tamraz's name had been put on a White House 'watch list' to prevent him from seeing senior officials.").

¹¹⁰ WhoDB Contact Manager Information database printout re: Roger Tamraz, undated (Ex. 35).

For Roger Tamraz, however, purchasing access to the White House was not enough. Despite the NSC's objections, he had little trouble getting into the White House, having succeeded in doing so three times in 1995 alone. In 1996, however, what Tamraz still lacked — and as Heslin put it, what he “desperately need[ed]”¹¹¹ — was the U.S. Government's actual or apparent endorsement of his pipeline deal. Ideally, Tamraz would have preferred that the President promote his pipeline deal to the governments of the Caspian region, hoping that the White House would endorse his deal as part of its efforts to promote U.S. business interests overseas.¹¹² Failing this, Tamraz recalled, “I was looking for somebody to say, ‘We have no objection.’”¹¹³

As described above, however, United States policy, established by the Caspian energy working group chaired by Heslin, remained firm in ruling out precisely what Tamraz wanted. As set by this interagency group, U.S. policy held that Tamraz's pipeline should get neither actual support nor any mere “non-objection.” In the spring of 1996, therefore, Tamraz directed his energies toward turning the Presidential access he had purchased through Fowler and the DNC into real policy change.

¹¹¹ Ex. 34.

¹¹² *See, e.g.*, Tamraz testimony, p. 166 (“Chairman Thompson: . . . Do you think you have a constitutional right to have your business deal personally considered by the President of the United States? / Mr. Tamraz: Well, the President picked up the phone once and called King Fahd [of Saudi Arabia] and told him, ‘I would like you to buy Boeings instead of Airbus [airliners],’ and another time, he called up and he said, ‘I want you to buy AT&T instead of Ericsson.’”).

¹¹³ *Id.* at p. 139.

Arranging through the DNC to attend a dinner with the President for “top supporters of the [Democratic] party” on March 27, 1996,¹¹⁴ Tamraz used his victory in the “guerilla fight to get close to the President”¹¹⁵ in order to promote his pipeline proposal. President Clinton expressed interest, and assured Tamraz that he would look into the issue. As White House Social Secretary Ann Stock summarized their talk in a memorandum to Clinton the next day,

Roger Tamraz . . . wanted to discuss the pipeline that will go from the Caspian Sea to Turkey. You told him that someone would follow-up with him.¹¹⁶

So interested was President Clinton, in fact, that he made a handwritten notation on Stock’s memorandum asking about the likely reaction of the government of Azerbaijan and suggesting that a copy of this document be forwarded to Counselor to the President Thomas F. (“Mack”) McLarty.¹¹⁷

¹¹⁴ See Richard Sullivan, memorandum regarding March 27 dinner (Ex. 36) (describing dinner); Marvin Rosen & Richard Sullivan, memorandum to Karen Hancox, Feb. 28, 1996 (Ex. 37) (forwarding list of names for March 27 dinner — including that of Roger Tamraz — to White House); Ann Stock, memorandum to the President on March 27 dinner (Ex. 38) (briefing President on DNC dinner).

¹¹⁵ As Tamraz colorfully described it,
You think you get into the White House so you’ve won. It’s only the fight begins when you get into the White House. Then there’s a guerrilla fight to get close to the President. . . . First the President is surrounded by the ladies because they swoon around him. . . . Secondly, you have his bodyguards, and thirdly you have the handlers, the same handlers that get you into the White House are sure once you get in, that you don’t get the chance to get what you want. They act like a basketball team professionally around the President and anyone getting too close to the President is waltzed away.
Tamraz testimony, p. 58.

¹¹⁶ Ann Stock, memorandum to the President, March 28, 1997 (Ex. 39).

¹¹⁷ *Id.* (handwritten additions). A handwritten note on this document indicates that a copy was to be forwarded to Nancy Soderberg as well, while another note reads “Make copies as noted.” (The President’s notations on this document appear as typewritten substitutions; it is White House policy to avoid releasing samples of the President’s handwriting.)

McLarty also spoke with Tamraz about his pipeline at this dinner. As McLarty recalled it,

[he] did talk about his oil pipeline in the Caspian Sea and the importance of it. As I remember, I related to him that we had constructed a major pipeline in the midcontinent, and I understood how important bringing reserves to market were [sic], and we discussed, as I remember it, kind of the importance of lessening the U.S. dependence on the Middle East for energy supplies, something that I have felt very strongly about for a number of years¹¹⁸

McLarty admitted that it was “possible” that Tamraz gave him some document or documents that evening, but he said they had not discussed Tamraz’s political contributions.¹¹⁹ At some point after this dinner, in keeping with the Stock memorandum about Presidential “follow-up,” McLarty learned that

the President wanted more information about the pipeline and for someone to follow up with Mr. Tamraz, and I think I learned that I was to do that, and I proceeded to do so.¹²⁰

As these accounts of the March 27 dinner make clear, Tamraz’s focus was no longer upon *access* to U.S. officials: by the time he was able personally to convey his views to President Clinton and McLarty, of course, such access was a foregone conclusion.¹²¹ Rather, Tamraz now focused upon the substantive merits of his pipeline project. He sought to change U.S. Government policy with regard to Caspian energy issues.

¹¹⁸ Deposition of Thomas F. McLarty, June 30, 1997, pp. 28-30.

¹¹⁹ *Id.* at p. 38.

¹²⁰ *Id.* at pp. 33-35.

¹²¹ Indeed, according to Tamraz, there was never any real chance for anyone at the NSC to bar a major campaign contributor from meeting President Clinton. “If we wanted an appointment,” Tamraz said, “[the President] would have told me, ‘Come tomorrow for a golf game.’ It could have been expensive, but we could have done it.” Tamraz testimony, p. 51.

On March 28, 1996, the day after Tamraz’s discussion with the President about the pipeline and the same day that Ann Stock memorialized the President’s desire to “follow-up” on the Tamraz pipeline issue, Sullivan and Swiller at the DNC prepared two memoranda summarizing Tamraz’s various political contributions and the fundraising solicitations he had undertaken. One memorandum listed a total of \$205,000 in various contributions and fundraising solicitations,¹²² while the other listed \$300,000 in contributions to various Democratic institutions.¹²³ As will be discussed below, the figures given by this first memorandum correspond closely to sums apparently recounted to Jack Carter at the Department of Energy by his colleague Charles Kyle Simpson.

McLarty dealt frequently with energy issues for President Clinton, and for this purpose often worked with Associate Deputy Secretary for Energy Kyle Simpson.¹²⁴ Simpson was himself a longtime political supporter of the President, having been active in Democratic politics in his native Texas and having served both as an advisor to the Clinton/Gore campaign and as a member of the President’s transition team.¹²⁵ It was natural, therefore, for McLarty to contact Simpson in order further to delegate President Clinton’s request to “follow-up” with regard to the substantive merits of Tamraz’s pipeline idea.

Indeed, on March 29 — the day after the President asked McLarty to “follow-up” with the Tamraz issue and DNC officials prepared their \$205,000 and \$300,000 memoranda listing Tamraz’s

¹²² Ex. 9.

¹²³ Ex. 12.

¹²⁴ *See* McLarty deposition, p. 6.

¹²⁵ *See* Simpson deposition, pp. 9-14.

political contributions — McLarty inquired of Simpson about a certain “list.” In a telephone message slip produced to the Committee in response to its request for Tamraz-related documents, McLarty’s secretary informed him that Simpson had called “re: List — I told him you found out what you needed to know from someone else so he could disregard it for now.”¹²⁶

On April 1, Tamraz attended another event with President Clinton, this time a DNC-sponsored coffee in honor of “the top supporters of the DNC.”¹²⁷ The briefing materials for this event listed Tamraz as “pursuing the possibility of building an oil pipeline,”¹²⁸ and he indeed took advantage of this opportunity to promote his project to McLarty, who later recalled meeting Tamraz at this coffee, but claimed to remember nothing of their conversation.¹²⁹ In a memorandum prepared the next day, however, McLarty advised the President that

[p]er your direction, I had a good visit with Roger Tamraz, President of Oil Capital Ltd., at the Monday morning coffee. Roger was pleased with your interest, and we will follow-up in a supportive but prudent and appropriate way.¹³⁰

Tamraz also apparently gave McLarty an Oil Capital brochure and a copy of his business card, which McLarty duly forwarded to Kyle Simpson, with a copy also being sent to President Clinton.¹³¹ .

¹²⁶ Thomas F. McLarty, telephone message slip, March 29, 1996 (Ex. 40).

¹²⁷ Richard Sullivan, memorandum on April 1, 1996 coffee, March 29, 1996 (Ex. 41).

¹²⁸ List of “POTUS April 1 Coffee Attendees,” p. 3 (Ex. 42).

¹²⁹ McLarty deposition, p. 44.

¹³⁰ Mack McLarty, memorandum to William J. Clinton, April 2, 1996 (Ex. 43).

¹³¹ Mack McLarty, letter to Kyle Simpson, April 2, 1996 (Ex. 44) (forwarding attachments to Simpson for discussion and including handwritten notation “bcc: The President”). Although he apparently did not speak with Tamraz about the pipeline after the March 27 dinner, President Clinton remained quite interested in Tamraz’s idea. According to McLarty, after the April 1

Indeed, McLarty appears by that point already to have faxed Simpson information relating to Tamraz. In his April 2 note forwarding Simpson the business card and brochure, McLarty noted that this information “[r]elates to the fax I sent you last week.”¹³² Neither McLarty nor Simpson claim to remember any such fax or “list.”¹³³

At some point, most likely after the April 1 coffee, McLarty contacted Simpson about Tamraz. According to McLarty, he asked Simpson for

additional information about the [Tamraz pipeline] project. I asked what he knew about it and for him to provide me additional information, and I believe that I told him that the President had given me this task.¹³⁴

Simpson recalls their conversation similarly. According to him,

[McLarty] said the President had met with Mr. Tamraz and Mr. Tamraz had talked about his pipeline proposal and . . . he asked Mr. McLarty to find out if there was anything we needed to do about it if it was important.

And McLarty was calling me to find out if there was anything unique about this pipeline because it is the policy, the importance, the strategic and economic importance of getting a pipeline built from that region [that] is very . . . critical.

coffee, the President “again mentioned to me his interest in learning more about the matter.” Statement of Thomas F. (“Mack”) McLarty, III, Sept. 17, 1997, p. 1 (Ex. 45).

¹³² Ex. 44 (forwarding attachments and noting “Please review and let’s discuss the attached. (Related to the fax I sent you last week.)”).

¹³³ *See, e.g.*, Simpson deposition, pp. 39-42; McLarty deposition, pp. 38-39, 41 & 46. In October 1996, when the Clinton Administration’s campaign-finance scandals began to emerge in the press, McLarty’s staff tried, apparently unsuccessfully, to find the “fax” in question. One telephone message given to McLarty “Just FYI,” for example, refers to his April 2, 1996 “Memo to POTUS” and recounts that the author had been “asked if we have the fax mentioned in the note — I don’t.” Telephone message slip, Oct. 24, 1996 (Ex. 46).

¹³⁴ McLarty deposition, pp. 53-58.

So he wanted to know if this was one [project] that had unique characteristics that we should be supporting As I understood it, he wanted me to find out if there was anything about this pipeline proposal that was important enough, unique enough, different enough that would cause it to rise above other proposals that were in play in the Caspian. That's what he wanted to know.¹³⁵

As this account shows, the emphasis at this point was clearly upon whether the U.S. Government should support Tamraz's pipeline proposal.

Having received this request from McLarty, Simpson passed it along to his Energy Department colleague Jack Carter — a former Clinton/Gore fundraiser from Texas who was perhaps particularly eager to assist because he had been seeking a job at the White House working for McLarty.¹³⁶ Simpson mentioned McLarty's message and asked Carter to

[f]ind out what he could about this pipeline proposal, and learn if there is anything, then tell me if there was anything different about this one or unique about this one that would cause us to be more interested in it than in any others¹³⁷

Significantly, as noted above, the purpose of the President's inquiry and the efforts to "follow-up" upon the President's talk with Tamraz was entirely substantive, relating to the merits or demerits of Tamraz's pipeline project and whether any reason could be found for the U.S. Government to support it. Indeed, McLarty himself insisted that the issue of a Presidential meeting with Tamraz

¹³⁵ Simpson deposition, pp. 43 & 47-48; *see also* Charles Kyle Simpson, letter to Senators Fred Thompson and John Glenn, Sept. 17, 1997 (Ex. 47) (recounting that McLarty asked "whether there was anything unique about this pipeline proposal").

¹³⁶ *See* Carter deposition, p. 21; McLarty deposition, pp. 12-14.

¹³⁷ Simpson deposition, pp. 53-57; *see also* Ex. 47, p. 2 (Simpson recounting that he asked Carter to "find out what he could about Mr. Tamraz' pipeline proposal and report to me whether there was anything unique about it that would cause the United States to be interested in it.").

“never came up in my discussions with Mr. Simpson. I just simply asked for information about the pipeline and the region. . . . Meetings were never discussed with Mr. Simpson.”¹³⁸ Mere access, in other words, had nothing to do with it.¹³⁹ As Simpson’s account makes clear, Tamraz had actually persuaded President Clinton, McLarty, and Simpson to begin looking for reasons to support Oil Capital’s pipeline proposal.

The key to understanding why these officials found the idea of endorsing Tamraz’s pipeline to be so attractive five months before the presidential election may lie in Simpson’s communications to Carter and in Carter’s own subsequent communication with Heslin. By this point, after all, Heslin was the principal obstacle that remained for Tamraz. Buying access to U.S. Government officials had been comparatively easy, but the interagency working group headed by Heslin remained opposed to offering the official support Tamraz “desperately need[ed].”¹⁴⁰ After receiving his instructions from Simpson, therefore, it was not surprising that Carter should continue to “follow-up” on the Tamraz issue by contacting her at the NSC. What is particularly significant about this contact, however, is the degree to which the two Energy officials apparently understood this “follow-up” to revolve around Tamraz’s campaign contributions.

¹³⁸ McLarty deposition, pp. 60 & 71.

¹³⁹ Interestingly, Fowler’s contacts with Bob of the CIA also appear to have been more about substantive policy change than about access. As Bob recalled later, Fowler complained to him over the telephone that “big oil companies were muscling out [Fowler’s] friend here Roger Tamraz, and that he intended to give this guy a fair hearing” Fowler told Bob that Sheila Heslin “was keeping consideration of Tamraz’s pipeline from being fairly considered or something like that.” Bob deposition, pp. 93 & 95.

¹⁴⁰ Ex. 34.

Carter’s meeting with Simpson — at which Simpson asked his colleague to find out “if there was anything different” about Tamraz’s pipeline which might justify supporting it — apparently came at the end of another meeting on an unrelated subject. As Carter left this meeting, he remembers, he noticed a notepad of Simpson’s that contained the words “Oil Capital or Tamraz or both” and “some numbers” apparently in Simpson’s handwriting. Recognizing these names from his own work with the interagency Caspian energy working group, Carter asked Simpson about them, and their discussion ensued. The figures, Carter said, included the number 200,000 and the number 400,000; Simpson “probably” explained to him that Tamraz had given \$200,000 to the Democratic Party and might yet give another \$400,000.¹⁴¹

Kyle told me that McLarty had called and [that] they wanted to find out something about the guy and whether the President should meet with him. . . . Kyle either on the pad or mentioned that the fellow [Tamraz] had made a contribution, was going to make more contributions apparently to somebody, political contributions.¹⁴²

Carter’s handwritten notes of his encounter with Simpson corroborate that they discussed Tamraz and suggest also that Simpson made clear President Clinton’s interest in the matter.¹⁴³

Simpson denies having discussed Tamraz’s campaign contributions with Carter, denies ever possessing any list of such donations, and claims to have no memory of receiving any such information from McLarty or anyone else.¹⁴⁴ Significantly, however, Simpson admits that after the

¹⁴¹ Carter deposition, pp. 49-50.

¹⁴² *Id.* at p. 45; *see also* Testimony of John Carter, Sept. 18, 1997, pp. 29-30.

¹⁴³ John Carter, notes of meeting, undated (Ex. 48) (recording name “Oil Capital” and phrase “do background on Tamraz / consider distance —> memo to Prez”).

¹⁴⁴ Simpson deposition, pp. 40-42, 54-55, & 74-75.

Tamraz story broke in the press, he called McLarty to discuss these issues. At that point, apparently on March 17 or 18, 1997, McLarty had “refreshed” Simpson’s memory of these crucial events: “[he] told me that he had called me because the President had met with Tamraz and he wanted to know — he was following up on a request from the President to get more information.”¹⁴⁵ Simpson admits having had a poor memory of his dealings with relation to Tamraz.¹⁴⁶ He apparently bases his present account, therefore, in large part upon this memory “refreshment” given him in March 1997 by McLarty in response to reporters’ discovery of the Tamraz affair.¹⁴⁷

Interestingly, Carter seems to have misunderstood Simpson’s objectives. As noted above, the request from President Clinton and McLarty through Simpson was exclusively concerned with the substantive merits of Tamraz’s pipeline — *i.e.*, whether or not some reason could be found for the Administration to reverse the interagency working group’s determination that the scheme did not deserve U.S. support. As his testimony shows, however, Carter seems to have understood Simpson to be asking “whether Mr. Tamraz should have a meeting with the President.”¹⁴⁸ This was clearly not

¹⁴⁵ *Id.* at pp. 81-84.

¹⁴⁶ *See id.* at pp. 91-92 (claiming that he had mistakenly given a factually incorrect account to *Wall Street Journal* reporter).

¹⁴⁷ Simpson’s credibility is also called somewhat into doubt by his testimony under oath before the Committee that he was never involved in any fundraising for the Democratic Party during the 1995-96 election cycle, *see* Charles Kyle Simpson testimony, Sept. 18, 1997, p. 101 — testimony which is inconsistent with a document prepared by the DNC in connection with a June 21, 1996 presidential reception which includes Simpson’s name on a list of people “each raising \$10,000 for the gala.” *See* Doug Sosnik and David Wofford, Memorandum on “Democratic National Committee Presidential Reception and Gala Celebration,” June 21, 1996 (Ex. 49). (It is a potential Hatch Act violation for a government employee to raise money for a political campaign. *See* 5 U.S.C. § 7323(a)(2).)

¹⁴⁸ Carter testimony, p. 30.

the case: the request from McLarty and Simpson only occurred because Tamraz had *already* met with President Clinton. Nevertheless, aware of Tamraz's significance to the Democratic Party and of the interest of McLarty and the President in this matter, Carter called Heslin on April 4, 1996.

As Heslin recalls it, this talk with Carter was the most uncomfortable conversation of her entire government career.

Jack called me . . . and he said that he wanted to speak to me about Roger Tamraz; that he — that he was calling basically at the behest of Mack McLarty who had recently met with Roger Tamraz and really liked his pipeline proposal.¹⁴⁹

Heslin reminded Carter of the interagency working group's determination that there was "nothing there" in Tamraz's pipeline scheme to justify U.S. support. Carter, however, responded that

well, Mack McLarty really likes [Tamraz] and he wants him to have a meeting with the President Jack said this could mean a lot — this would mean a lot of money for the DNC, and I said to Jack, well, I don't really care about \$100,000, and he said this is not 100,000, this is five or six times that amount, and I said, well, what do you mean, and he said, well, he's already given 200,000, and if he got a meeting with the President, he would give the DNC another \$400,000.¹⁵⁰

Not caring how much money Tamraz might give to the DNC, Heslin repeated her opposition to the idea, telling Carter that she would "go to [National Security Advisor] Tony Lake to block this if such a meeting were scheduled." Carter, however, continued "pressuring me."

[H]e wasn't very gentlemanly during that talk, and he said, that — he said that Mack [McLarty] was also representing this because the

¹⁴⁹ Heslin testimony, p. 29.

¹⁵⁰ *Id.* at pp. 29-30.

President wanted him to do this . . . and he said, well, Mack can push this through¹⁵¹

Indeed, Heslin recalled, Carter threatened her by saying that “it was something that Mack really wanted” and telling her that McLarty might be the next Secretary of Energy; if McLarty got this position, Carter suggested, it would be difficult for Heslin to work on oil and gas issues if McLarty were displeased with her.¹⁵²

Heslin’s handwritten notes of this conversation corroborate Carter’s recitation of the \$200,000 and \$400,000 figures and his reference to President Clinton and McLarty.¹⁵³ In fact, Carter himself admitted in his sworn deposition that he had “probably” mentioned the \$200,000 and \$400,000 figures to Heslin and that he must have said “something to the effect that there has been contributions made by Tamraz and more contributions are considered by Tamraz, political contributions.”¹⁵⁴

I would have been telling her that did she know that there had been contributions made by Tamraz and that he was — that he was thinking about making more contributions to 200 and 400. . . . I understood from others that he was thinking about making a contribution, more further contributions, and the question to us was, was there any reason that the President should meet with Tamraz.¹⁵⁵

¹⁵¹ *Id.* at p. 30.

¹⁵² Heslin interview, p. 16.

¹⁵³ Sheila Heslin, handwritten notes, April 4, 1996 (Ex. 50) (bearing notation “Oil Capital / Roger Tamraz — DNC / \$400,000 — \$200,000 } \$600,000 / Pres. want / Mack McLarty”). (The words “Mack McLarty” are circled and underlined twice.)

¹⁵⁴ Carter deposition, p. 61.

¹⁵⁵ *Id.* at pp. 62-63.

Carter also admitted that he might have mentioned the DNC in his discussion with Heslin, and that “I indicated to her that McLarty had asked the question, that I understood Mack [McLarty] had made the inquiry about whether the President should take a meeting with Tamraz.”¹⁵⁶ Heslin, who had no idea that Tamraz had already met with President Clinton, apparently shared Carter’s misunderstanding that the matter at issue was simply one of access, rather than whether the U.S. should endorse the Oil Capital plan.

Despite Carter’s pressure and his crude exhortation “that [she] shouldn’t be such a Girl Scout,”¹⁵⁷ Heslin refused to back down. Indeed, Heslin had the impression that

Jack himself didn’t really believe [that Tamraz should be accommodated]. He was — Jack knew our policy, and he had promoted it in the region. He had fought for it. I think Jack was acting at the behest of someone else, and he knew dates when Mack McLarty had met [with Tamraz]. He knew dollar figures, and he never spoke to me again like that before [or] after . . . I’m just very sorry that that conversation took place.¹⁵⁸

In the end, she said, Carter retreated, acknowledging that he clearly understood “what your position is.”¹⁵⁹

By now thoroughly alarmed, Heslin quickly contacted Nancy Soderberg. As Heslin recalls it, Soderberg, upon being told of Carter’s telephone call and references to McLarty, said “Oh my

¹⁵⁶ *Id.* at p. 63.

¹⁵⁷ Heslin testimony, p. 30.

¹⁵⁸ *Id.* at p.31.

¹⁵⁹ *Id.*

God, Mack shouldn't be doing that, he should know better, that's illegal."¹⁶⁰ Soderberg does not recall making this comment, but remembers that Heslin recounted being pressured by an Energy Department official for "political reasons" to change her position on Tamraz. Soderberg does recall, however, that McLarty's name somehow came up in her conversation with Heslin. Soderberg says she told Heslin that the Energy official was "acting inappropriately."¹⁶¹

According to Heslin, Soderberg then recommended that Heslin draft a letter for McLarty to send to Tamraz, phrased in such a way that "we could issue [it] to deflate" any subsequent claims by Tamraz that the U.S. Government supported his project.¹⁶² Heslin also remembers a second conversation with Soderberg on this subject, in which Soderberg asked about her progress in drafting the letter.¹⁶³ Soderberg does not recall anything about such a letter,¹⁶⁴ but Heslin remembers trying to work out suitable language with the help of a friend of hers at the State Department¹⁶⁵ and the White House provided the Committee with a draft of this letter.¹⁶⁶ The letter was, however, never sent.¹⁶⁷

¹⁶⁰ *Id.* at p. 32; *see also* Heslin interview, p. 16.

¹⁶¹ Soderberg interview, pp. 10-11.

¹⁶² Heslin interview, p. 16; *see also* Heslin testimony, pp. 32-33.

¹⁶³ Heslin testimony, pp. 33-34.

¹⁶⁴ Soderberg interview, p. 12.

¹⁶⁵ Heslin interview, pp. 16-17.

¹⁶⁶ Draft letter from Mack McLarty to Roger Tamraz, April 15, 1996 (Ex. 51).

¹⁶⁷ *See* Heslin testimony, p. 33; Heslin interview, pp. 16-17.

With one exception, this ended Heslin's dealings with Tamraz during her time at the NSC. In July 1996, Heslin received a telephone call from Dan Riordan of the Overseas Private Investment Corporation (OPIC). Riordan informed her that Tamraz was trying to meet with OPIC's president, Ruth Harkin — and that “Ruth was under enormous pressure” to meet with Tamraz.¹⁶⁸ Heslin told Riordan that Harkin should refuse to meet Tamraz.¹⁶⁹ It was, therefore, perhaps not by coincidence that in November 1996, Tamraz both contributed \$35,000 to the Iowa Democratic Party at the request of Ruth Harkin's husband, Senator Tom Harkin of Iowa,¹⁷⁰ and Tamraz's representative met with mid-level OPIC officials in Washington, D.C.¹⁷¹ Nevertheless, he still did not obtain an official meeting with Ruth Harkin about his pipeline.

CONCLUSION

The implications of the Tamraz affair are disturbing. President Clinton was clearly aware that Tamraz was a major DNC contributor, having met him at an event for the DNC's “top supporters” and having written to thank Tamraz for his support for the DNC on the day after McLarty notified Clinton of his “good visit with Roger” pursuant to Clinton's “direction[s].” As the President wrote in this April 3, 1996 letter to Tamraz,

¹⁶⁸ Heslin testimony, pp. 92-93; *see also* Heslin interview, p. 19.

¹⁶⁹ *See* Heslin testimony, p. 93; *see also* Heslin interview, p. 19 (recommending that if anyone at OPIC were to meet with Tamraz, this should occur at lowest possible level).

¹⁷⁰ *See* Tamraz testimony, pp. 114-15; Iowa Democratic Party itemized receipts (Ex. 52) (indicating \$5,000 and \$25,000 contributions by Roger Tamraz and \$5,000 from Joelle Tamraz at same address); *see also* Tamraz testimony, p. 114; Jane Norman, “Iowa parties argue about fundraising,” *Des Moines Register*, June 17, 1997, p. 2.

¹⁷¹ *See* Jane Norman, “Iowa Republicans Charge ‘Severe’ Law Violations by Harkin,” *Des Moines Register*, Sept. 27, 1997, p. 3.

Your support of the Democratic National Committee and of my Administration has been critical to our efforts and will be increasingly important in the coming months. Thank you for being there when you are asked to help.¹⁷²

After discussing Oil Capital's pipeline scheme with Tamraz at their March 27, 1996 meeting, the President promptly ordered McLarty to "follow-up" on this issue and report back to him. For McLarty, this "follow-up" involved delegating the matter to Simpson, who in turn enlisted Carter to the cause. For his part, Carter's understanding of the financial benefits to the DNC of endorsing Tamraz's proposal, an understanding he says he acquired from Simpson, could hardly have been clearer. Moreover, the \$200,000 figure Carter quoted to Heslin closely corresponds to the \$205,000 total sum recounted on one of the memoranda compiled for Tamraz by the DNC within 24 hours of Tamraz's meeting with President Clinton, a memorandum which may itself have been the mysterious Tamraz-related "fax" or "list" that passed between McLarty and Simpson at that time. It is difficult not to conclude that Carter's pressure upon Heslin to change U.S. government policy on the basis of Tamraz's DNC contributions had its origins in the White House itself, with uncertain but potentially serious legal implications for the various officials involved.¹⁷³

Fortunately, despite his significant financial contributions to the Democratic Party and his success in enlisting both Fowler and at least one CIA official in a lobbying campaign on his behalf,

¹⁷² William J. Clinton, letter to Roger Tamraz, April 3, 1996 (Ex. 53).

¹⁷³ It is, for example, a felony if a "public official . . . directly or indirectly, corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value personally or for any other person or entity" in return for "being influenced in the performance of any official act." 18 U.S.C. § 201(b)(2). This bribery statute defines "official act" quite broadly, and nowhere suggests that the actor must actually *succeed* in changing government policy in pursuit of such value in order to fall within this criminal prohibition.

Tamraz did not succeed in persuading the U.S. Government to support his pipeline schemes in the Caucasus. Through his ties to the DNC, however, Tamraz did succeed in subverting the policy of the U.S. Government, as established by the interagency Caspian energy working group, to deny him access to high-level U.S. officials. Despite the working group's firm position against such access, Tamraz found access to the President of the United States to be available for a price through Donald Fowler and the DNC.

More ominously, Tamraz also succeeded through his political contributions, and apparently the promise of additional donations, in enlisting senior United States officials in his attempt to change the working group's policy on Caspian energy issues. The access he purchased through the DNC allowed him the opportunity to lobby for U.S. support for his pipeline scheme; this lobbying, in turn, persuaded White House and Energy Department officials to begin searching for excuses to support the project, applying significant pressure to a member of the NSC staff in the process.

Thanks to the determination of Sheila Heslin to resist such pressures and her refusal to compromise what she understood to be in the national interests of the United States, this attempt to change government policy did not succeed. Tamraz himself, for example, professed disappointment — though he remained unrepentant, suggesting that he had simply not given *enough* money to achieve his goals: “I think next time, I’ll give 600,000 [dollars].”¹⁷⁴ Heslin’s steadfastness in the face of considerable pressure from Administration officials swayed by Tamraz’s campaign contributions led members of the Committee from both political parties to describe her as a “hero.”¹⁷⁵

¹⁷⁴ Tamraz testimony, p. 86.

¹⁷⁵ See Hearing Testimony, Sept. 17, 1997, at 66 (remarks of Senator Collins) (“This investigation has been bereft of heroes and I think you are a real hero.”); see also *id.* at 73 (remarks of Senator

Apart from Heslin, however, the Tamraz story has no heroes. That Tamraz's effort to purchase access to the President and policy concessions from senior U.S. Government officials proceeded as far as it did, in fact, speaks volumes about the party and the Administration whose officials were involved. In pursuit of his Caspian pipeline deal, Tamraz's methodology of choice was to use political contributions to buy policy concessions, having reportedly offered \$100 million to the reelection campaign of Russian President Boris Yeltsin in 1995 in exchange for Moscow's endorsement of the pipeline project.¹⁷⁶ Any such proposal to Yeltsin, however, apparently went no further than a mere offer. It is ironic indeed that Tamraz seems to have come closer to purchasing policy concessions in the United States of America than he did in the unstable and corrupt new democracy of post-communist Russia.

Lieberman) ("The earlier session ended with Senator Collins calling you a hero and I agree with that. I think you are one of the points of light, if I may borrow a bipartisan phrase, in an otherwise relatively dark firmament."). Despite having been urged to do so by Senators Thompson and Collins, however, the Department of Justice has so far refused to reimburse Heslin for the legal expenses she incurred during investigations into the Tamraz affair. *See* Eva Plaza, letter to Richard Janis, May 13, 1997 (Ex. 54) (denying Heslin request for representation); Donald Remy, letter to Richard Janis, Oct. 9, 1997 (Ex. 55) (refusing to make final decision on Heslin reimbursement until "the conclusion of all relevant investigations"). The Committee believes that Heslin is entitled to have the U.S. Government reimburse her for the legal expenses she incurred in connection with the Tamraz matter.

¹⁷⁶ According to press accounts, Tamraz met in Milan on November 30 and December 1, 1995, with two senior Russian officials, Presidential Security Chief Alexander Korzhakov and presidential advisor Pavel Borodin. Yeltsin was then in the final stages of his hard-fought presidential race, and Tamraz reportedly offered \$100 million to the campaign in exchange for Russia's support for his proposed Caspian Sea pipeline. *See* James Risen & Alan C. Miller, "DNC Donor's Officer of Funds to Yeltsin Told," *Los Angeles Times*, Sept. 10, 1997. If built, Tamraz's pipeline would bypass existing pipeline links through Russia in favor of a corridor from Azerbaijan through Armenia to Turkey — and would thus otherwise be expected to face Russian resistance. Russian support would also have been important to securing the new pipeline's acceptance by the other states in the region, since Russia remains highly influential in the former Soviet republics of the region.